Tables Indicating the Basis for Revenue Estimates

Table A
ESTIMATES OF GENERAL FUND TAX REVENUE: FY 2010 to FY 2016
Adjustments above the Line

(in thousands of dollars)

	ACTU	J A L	ESTIMATED						
TYPE OF TAX	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
General Excise & Use 2/	\$2,618,787	\$2,417,580	\$2,350,845	\$2,535,286	\$2,681,932	\$2,846,825	\$3,016,732	\$3,171,122	\$3,374,995
Income - Individual 4/	1,544,307	1,338,451	1,264,796	1,374,051	1,461,627	1,560,849	1,663,470	1,749,315	1,867,815
Income - Corporation	85,081	53,522	50,103	36,724	39,290	47,964	59,525	71,776	84,610
Public Service Company	127,481	126,069	124,519	124,868	126,161	128,348	131,259	134,607	138,823
Insurance Premiums	95,742	93,720	90,703	90,880	96,324	97,425	98,651	97,810	97,382
Tobacco & Licenses 5/	83,443	76,955	94,253	93,736	90,045	84,032	80,845	77,911	75,175
Liquor & Permits	45,620	47,242	49,446	51,953	54,454	56,891	59,247	61,483	63,628
Banks & Other Fin Corps	18,212	26,075	24,318	26,734	33,357	37,580	41,241	43,332	46,725
Conveyance 3/	6,513	8,311	9,551	8,866	8,632	6,280	6,224	6,188	6,162
Miscellaneous *	751	810	535	537	540	542	544	545	547
Transient Accommodation Tax 1/	15,935	13,566	38,174	64,683	80,455	86,450	92,639	98,807	32,679
NET TOTAL	\$4,641,872	\$4,202,301	\$4,097,243	\$4,408,318	\$4,672,817	\$4,953,186	\$5,250,377	\$5,512,896	\$5,788,541
GROWTH RATE	1.2%	-9.5%	-2.5%	7.6%	6.0%	6.0%	6.0%	5.0%	5.0%

Notes:

1/ Deposits of 44.8% of TAT revenues to counties (Act 156, SLH 1998); 32.6% to the tourism special fund and 5.3% to the TAT trust fund (Act 250, SLH 2002); 17.3% to the convention center enterprise fund (Act 253, SLH 2002); all net of general fund deposits of excess of fund ceilings. Act 235, SLH 2005, increases allocation to the tourism special fund to 34.2% and repeals the TAT trust fund. Effective on July 1, 2007. Act 209, SLH 2006, increases ceiling on allocation to the convention center enterprise fund to \$33 million. Effective on July 1, 2006. Act 61, SLH 2009, temporarily imposes an additional 1.0% TAT for the period 7/1/2009 through 6/30/2010, and an additional 2.0% TAT for the period 7/1/2010 through 6/30/15. These additional amounts will be deposited into the general fund. Act 5, Special Session Laws of Hawaii 2009, allocates 12.5% of the revenues derived from Act 61 to the tourism special fund for one fiscal year (FY 2011).

2/ Act 209, SLH 2007, exempts gross income received from the sale of alcohol fuel from the general excise tax. Effective on July 1, 2007, provided that the exemption repeals on June 30, 2009. Act 40, SLH 2009, reduces the interest rate on overpayments due to taxpayers from 2/3 of 1% to 1/3 of 1% per month or fraction thereof.

- 3/ Due to the expiration of Act 222, SLH 2007, on June 30, 2008, the amount of conveyance tax deposited into the General Fund increased from 15% to 35%. Act 59, SLH 2009, increased the conveyance tax rates for properties valued \$1 million or more.
- 4/ Act 60, SLH 2009, temporarily increases the standard deduction and personal exemption amounts for taxable years beginning after 12/31/10, and also temporarily creates new 9%, 10%, and 11% tax brackets for certain individuals with high taxable income beginning with taxable years beginning after 12/31/08. Act 60, SLH 2009, will be automatically repealed on December 31, 2015.
- 5/ Act 58, SLH 2009, taxes "little cigars" in the same manner as cigarettes beginning 9/30/09; increases the tax on tobacco products other than cigarettes, little cigars, and cigars from 40% to 70% beginning 9/30/09; imposes a 50% tax on cigars. Act 56, SLH 2009, increases the cigarette tax from 11¢ to 13¢ on 7/1/09, from 12¢ to 14¢ on 7/1/10, and from 13¢ to 15¢ on 7/1/11; and also amends the dates on which changes in the allocation of cigarette tax revenues changes.

December 17, 2009

^{*} Includes inheritance and estate tax.

INDIVIDUAL INCOME TAX (in Thousands of Dollars)

		11/08 Estimate		12/07 Estimate	
	Actual	As % of			As % of
	FY 2009	Amount	Actual	Amount	Actual
Withholding Tax	\$1,398,639	\$1,357,565	97.1%	\$1,390,534	99.4%
Decl. of Estimated Tax	\$262,540	\$426,027	162.3%	\$465,907	177.5%
Payment w/ Final Return	\$135,354	\$177,472	131.1%	\$249,891	184.6%
Amount of Refunds	(\$457,477)	(\$431,193)	94.3%	(\$410,882)	89.8%
Election Campaign Fund	(\$205)	(\$108)	52.7%	(\$224)	109.5%
School Minor Repairs & Maintenance Fund	(\$111)	(\$115)	103.7%	(\$108)	97.4%
Public Libraries Fund	(\$96)	(\$99)	103.1%	(\$90)	93.5%
Domestic Violence\Child Abuse Neglect Fund	(\$191)	(\$211)	110.5%	(\$186)	97.2%
NET TOTAL	\$1,338,453	\$1,529,338	114.3%	\$1,694,841	126.6%

Tax Rates after December 31, 2006 (Act 110, SLH 2006)

For taxable years beginning after December 31,2006: (1) the individual income tax brackets are expanded, and (2) the standard deduction amounts are increased as follows: married filing joint return or surviving spouse with dependent child is \$4,000; single or married filing separately is \$2,000; and head of household is \$2,920.

Tax Rates after December 31, 2008 (Act 60, SLH 2009)

For taxable years beginning after December 31, 2008, Act 60, SLH 2009, increases the income tax for the highest income bracket. The tax rates for individuals range from 1.4% to 11% of taxable income.

The standard deduction amounts are as follows: married filing joint return or surviving spouse with dependent child is \$4,000; single or married filing separately is \$2,000; and head of household is \$2,920. The tax rates for estates and trusts range from 1.4% to 8.25%.

CORPORATION INCOME TAX (in Thousands of Dollars)

		11/08 Estimate		12/07 Estimate		
	Actual		As % of		As % of	
	FY 2009	Amount	Actual	Amount	Actual	
Decl. of Estimated Tax	\$97,456	\$127,942	131.3%	\$146,925	150.8%	
Payment w/ Final Return	\$23,307	\$21,266	91.2%	\$23,984	102.9%	
Amount of Refunds	(\$67,241)	(\$66,405)	98.8%	(\$84,266)	125.3%	
				-		
NET TOTAL	\$53,522	\$82,803	154.7%	\$86,644	161.9%	

Tax Rates: 4.40% of taxable income up to \$25,000; 5.40% on next \$75,000; 6.40% over \$100,000.

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LEGAL REFERENCE AND EFFECTIVE DATE OF LATEST REVISION FOR STATE GENERAL FUND TAX REVENUES

	Legal Reference	Revision	
Type of Tax	HRS	Date	
General Excise	Chapter 237	07/15/09	
Use	Chapter 238	07/01/09	
General Excise Lic. & Fees	Chapter 237	07/01/09	
Banks & other Financial Corp.	Chapter 241	07/15/09	
Income - Corporation	Chapter 235	07/15/09	
Income - Individual	Chapter 235	07/15/09	
Inheritance & Estate	Chapter 236	01/01/83	
Insurance Premiums	Chapter 431	07/15/09	
Liquor & Permits	Chapter 244D	07/01/04	
Tobacco & Licenses	Chapter 245	06/30/09	
Public Service Company	Chapter 239	04/15/08	
Conveyance	Chapter 247	07/01/09	
Fuel - Retail Permits	Chapter 243	07/01/09	
R. P. Appeal Deposits	Chapter 232	07/01/09	
Transient Accommodations	Chapter 237D	07/01/09	
Vehicle Surcharge	Chapter 251	07/01/09	

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11/23/2009